

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

OMB APPROVAL
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FORM 3

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

(Print or type responses)

1. Name and Address of Reporting
Person*

Russell, Thomas K.
(Last) (First) (Middle)

30 Sembrado
(Street)

Rancho Santa Margarita, CA 92688
(City) (State) (Zip)

2. Date of Event
Requiring Statement
(Month/Day/Year)

July 19, 2002

4. Issuer Name **and** Ticker or Trading Symbol

Shallbetter Industries, Inc. SBNS

3. I.R.S. Identification
Number of Reporting
Person, if an entity
(voluntary)

5. Relationship of Reporting
Person(s) to Issuer
(Check all applicable)

X Director ___ 10% Owner

X Officer ___ Other
(specify) (give title below)

President

6. If Amendment, Date of
Original
(Month/Day/Year)

7. Individual or Joint/Group
Filing (Check Applicable
Line)

X Form filed by One
Reporting Person

___ Form filed by More than
One Reporting Person

Table 1 - Non-Derivative Securities Beneficially Owned

1. Title of Security (Inst. 4)	2. Amount of Securities Beneficially Owned (Inst. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Inst. 5)	4. Nature of Indirect Beneficial Ownership (Inst. 5)
Common Stock	50,000	D	

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Inst. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Inst. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Securities: Direct (D) or Indirect (I) (Inst. 5)	6. Nature of Indirect Beneficial Ownership (Inst. 5)
	Date Exercisable Expiration Date	Title Amount or Number of Shares			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Explanation of Responses:

/S/ THOMAS K. RUSSELL

Signature of Reporting Person

August 8, 2002

Date

* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v)

**Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.